

**Report of the U.S. Securities and Exchange Commission (SEC) to the
U.S. Agency for International Development (USAID)
Concerning Technical Assistance to USAID Cooperating Countries
Interagency Agreement (IAA) Between USAID and the SEC
for the Quarter Ending September 30, 2006**

Technical Assistance under the Global Agreement – Global B

Program Title: Technical Assistance and Training through SEC – Phase II
Strategic Obj. Title and No: 933 – 08 Open, Competitive Economies Promoted
Appropriation Symbol: 723/41021 **Fund Code:** DV03/04
A&A Request Number: 12015/577 **Initial FY:** 2003
Completion Date: Sept. 30, 2008
Annex B-1, EGAT/OEG

The SEC provides technical assistance to USAID Cooperating Countries pursuant to an IAA with USAID dated July 18, 2003. This report describes the SEC's activities under the IAA for the quarter ending September 30, 2006.

ACTIVITIES DURING THE QUARTER

Vietnam Assessment Mission:

With the approval of USAID, the SEC used Global funding to pay for Robert Strahota, retired Assistant Director of the SEC's OIA, to hold meetings in Vietnam with SSC staff on August 17, 18 and 21 to address questions and comments on the following three draft Decrees:

- Decree on implementing certain provisions of the securities law;
- Decree on administrative violations; and
- Decree on organization of the SSC.
- Written comments were provided on the draft Decrees;
- Public seminars were held on the draft decrees in Hanoi on August 24 and Ho Chi Minh City on August 29, attended primarily by about 80 governmental and 100 private sector representatives, respectively.
- In response to specific questions from SSC staff, the following documents were provided:
 - US SEC Form S-11, Industry Guide re real estate limited partnerships and example of a real estate investment trust shelf registration prospectus and annual report (Federal Realty Investment Trust).
 - Example of an annual report and proxy statement for a US registered investment company that does not have a separate investment adviser (Adams Express)
 - US SEC statement on when monetary penalties should be considered against companies.
- On August 25th, Strahota met with SSC staff to discuss and provide oral comments on the seventh draft of the SSC's corporate governance regulation, intended to implement Article 28.2 of the securities law regarding governance of listed companies draft, and subsequently provided written comments.

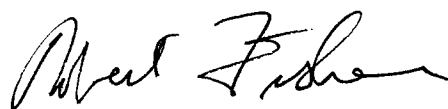
- On August 22-23, two full-day training program for approximately 40 SSC staff in Hanoi covering topics requested by the SSC that had been delivered previously at the US SEC's 2006 International Institute for Securities Market Development and an earlier US SEC enforcement and market oversight training program. The topics were:
 - Overview and Structure of U.S. Securities Industry
 - Overview of Market Regulation
 - SEC Consolidated Supervision of Broker-Dealers and Affiliates
 - Broker-Dealer Examinations
 - Securities Enforcement
 - Testimony Techniques and Procedures
 - Market Surveillance Techniques
 - Insider Trading and Market Manipulation Cases
 - Administrative Enforcement Proceedings
 - International Enforcement Cooperation
 - Overview of Disclosure
 - Change of Control Transactions
 - Role of Credit Rating Agencies

REIMBURSABLE SEC EXPENSES

The SEC will submit a claim for reimbursement of **\$82,283** (which includes other expenditures from previous quarters detailed in the attached financial report) under the IAA for the quarter ending September 30, 2006.

October 2, 2006

Respectfully submitted,



Dr. Robert Fisher
Assistant Director
SEC Office of International Affairs

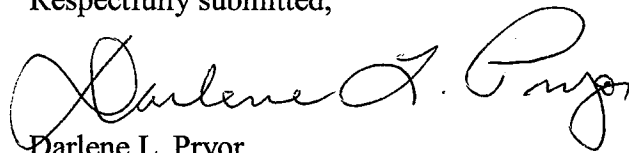
Financial Report for the Quarter Ending September 30, 2006

Attached is the financial report providing information regarding SEC reimbursable technical assistance expenditures for the current period and cumulatively.

Report:

Technical Assistance under the Global "B" Agreement (Annex B-1) – Summary Report
and Country Subtotals

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Darlene L. Pryor". The signature is fluid and cursive, with a large initial "D" and a stylized "P".

Darlene L. Pryor
Management Analyst
SEC Office of the Executive Director

October 2, 2006